



# Department of Justice

United States Attorney Rodger A. Heaton  
Central District of Illinois

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CONTACT: SHARON PAUL  
PHONE: (217) 492-4450  
FAX: (217) 492-4512

## **FORMER TAMIMI GLOBAL EXECUTIVE ADMITS PAYING KICKBACKS FOR MILITARY SUBCONTRACTS IN KUWAIT**

### ***Kickbacks to KBR Employee for \$21.8 Million Dining Facility Subcontracts***

ROCK ISLAND, Ill. – Tamimi Global Company’s former Director of Operations for Kuwait and Iraq, Mohammad Shabbir Khan, pled guilty to paying kickbacks to secure two military dining subcontracts valued at \$21.8 million dollars, U.S. Attorney Rodger A. Heaton of the Central District of Illinois announced today.

During today’s hearing, Khan admitted he paid \$133,000 in kickbacks to a Kellogg, Brown & Root Services, Inc. (KBR) employee to secure two subcontracts for military dining facilities: a \$14.4 million dollar subcontract at Camp Arifjan, Kuwait, and a subcontract of \$7.4 million dollars at a palace in Baghdad, Iraq.

“Kickback schemes like this one inflate the costs to U.S. taxpayers of funding our military,” stated U.S. Attorney Heaton. “Mr. Khan’s guilty plea reflects the success of our ongoing commitment to stop such schemes.”

Khan admitted he offered a kickback to the KBR manager for the Camp Arifjan dining facility subcontract following a birthday party Khan hosted for the KBR employee in October 2002. The kickback offer was accepted, and on Oct. 14, 2002 the one-year \$14.4 million subcontract was awarded to Tamimi. In April 2003, the KBR manager provided Khan with bid information Tamimi needed to secure the award for another dining facility services subcontract at a palace in Baghdad. Tamimi was awarded the \$7.4 million subcontract for the six-month period of April through October 2003.

The money laundering conspiracy and false statement offenses relate to Khan’s admission that he conspired with another former management level Tamimi employee to persuade the then-former KBR employee to make false statements to law enforcement about the kickbacks. In an effort to make law enforcement believe payments by Tamimi and its managers to the former KBR employee were not kickbacks but part of a private business venture, Khan and the former Tamimi employee arranged for the wire transfer of approximately \$65,000 from the former KBR employee to the former Tamimi employee and back.

At sentencing, scheduled for November 3, 2006, the maximum statutory penalty for each count of wire fraud and money laundering conspiracy is 20 years imprisonment and a fine of \$250,000; for making a false statement, the maximum statutory penalty is five years in prison and a fine of \$250,000.

The Logistics Civil Augmentation Program (LOGCAP) is a U.S. Army program that uses civilian contractors to support the logistical needs of the U.S. military forces. In December 2001, the LOGCAP III prime contract was awarded to KBR by the U.S. Army Operations Support command with headquarters at the Rock Island Arsenal in Rock Island, Ill., and was administered by the Army Field Support Command, also at the Rock Island Arsenal.

Several investigative agencies participated in the criminal investigation, including the Federal Bureau of Investigation, Springfield Division; the Internal Revenue Service Criminal Investigation Division, Chicago Field Office; the Defense Criminal Investigative Service, Central Field Office, St. Louis, Missouri; the U.S. Army Criminal Investigation Command, North Central Fraud Field Office, Detroit, Michigan; and New Scotland Yard Metropolitan Police Service.

The case is being prosecuted by Supervisory Assistant U.S. Attorney Jeffrey B. Lang, Assistant U.S. Attorney Gregory R. Walters and Senior Trial Attorney John Michelich of the U.S. Department of Justice Criminal Division.

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